

Realty Trust Review

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INVESTMENT OUTLOOK AND STATISTICAL ISSUE

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INVESTMENT OUTLOOK: REALTY TRUST STOCKS FLAT AS INTEREST RATES RISE

Interest rates have begun inching up again, keyed by the Federal Reserve Board's discount rate boost to a record 10% and a Chicago bank's uptick in the prime rate to 11-3/4% again. Nomination of Paul Volcker to head the Federal Reserve Board is a conservative choice that may ease pressure on the dollar but likely means that interest rates will remain at historic highs. And a Volcker Fed may be less willing to open the money spigots to hype a faltering economy.

The market's initial reaction to Volcker was enthusiastic but stocks es-

entially were flat for the month, trust stocks rising 0.8% while the Dow-Jones Industrials edged off 1.1% (table p. 3). We interpret all this to reduce probability of last October's massacre when interest rate concern depressed realty trust stocks, opening a major buying opportunity.

You should remain highly selective in this climate, for stocks are responding more to earnings and dividend news than for some time. Use our Relative Appeal Rankings as a guide. Some smaller trusts led percentage gains: U.S. Equity & Mtg. jumped 53% on good earnings (p. 7); General Real Estate rose 22% and Wisconsin REIT gained 29½%. But disap-

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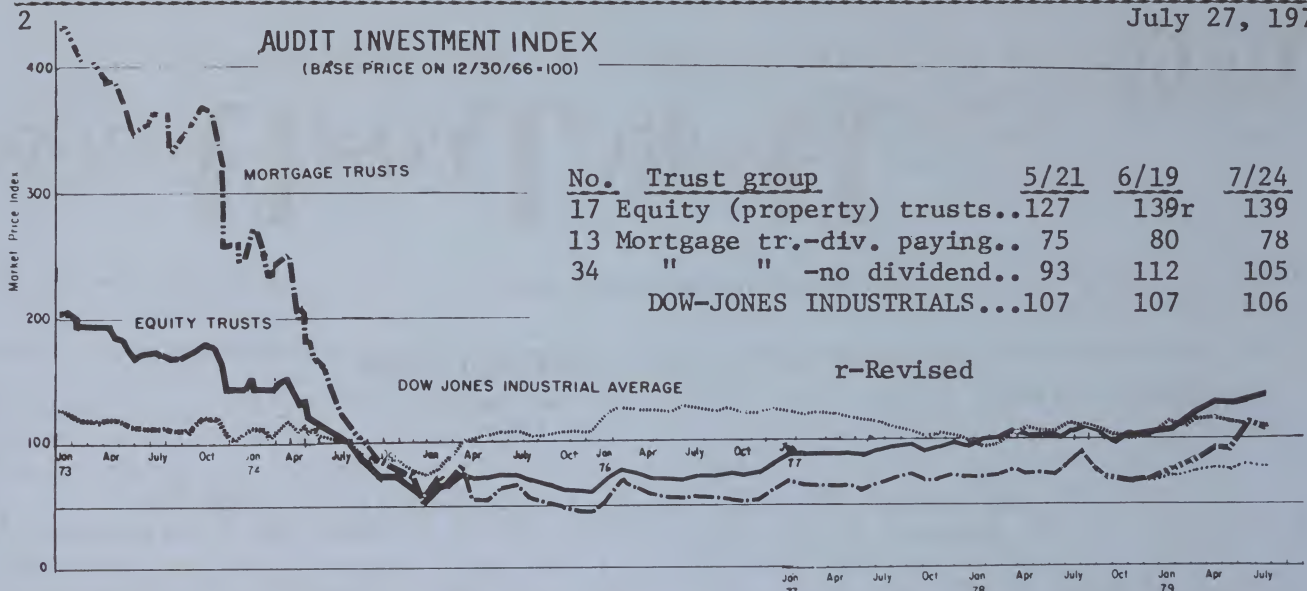
Your editor appeared before the Tsai Forum July 19, sponsored by a New York City brokerage firm; copies may be obtained by mailing a self-addressed stamped envelope.

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pointments hurt: Two trusts in bankruptcy fell: Continental Mtg. by 39½% and Dominion Mtg. by 28½%. Merger or realignment talks help some:

General Growth Props. rose 1% as the Bucksbaum family offered \$35.50/sh. for the stock, topping \$35 offered by a Canadian company; an Aug. vote is seen.

IDS Realty received an offer to buy all shares for \$20 million cash and stock of Boothe Financial Corp., a leasing company. Price would be set by IDSRT's net tangible book value at July 31; fully diluted net book was \$4.07/sh. at April 30.

GMR Properties said it's in preliminary talks with Hollinee Corp., privately held roofing and glass fiber laker.

GROUP REVIEW: THREE ADDITIONAL PROPERTY TRUSTS REVIEWED

We complete our review, begun in the July 13 RTR, of the major property trusts with brief analyses of three property trusts. As noted earlier, we are especially looking at the continuing competitiveness of properties held by the trusts, since new office and retail projects can outmode older properties fairly quickly unless they are improved and modernized regularly.

To measure the rate of improvement, we calculated the ratio of total improvements and modernizations capitalized by the trusts to depreciation accumulated since the trust took ownership. While this ratio can be skewed by many factors including the initial age of a trust's properties, the ratio focuses attention

on the question of whether property improvements have been skimmed at the expense of high dividends, or vice versa. Real estate men sum up the balance between the two by saying, "Take care of your property and it will take care of you." Since the July 13 issue, the April 1979 annual report of Florida Gulf Realty Trust, which had one of the lowest improvement ratios, has spotlighted the fact that FGRT spent \$575,000 for tenant and capital improvements and expanded leasable areas during last year, vs. \$313,000 spent over the previous five year. One of the trusts reviewed below, San Francisco REI, sets aside a remodeling reserve in computing its net cash flow. Reviews of three remaining trusts:

Pennsylvania REIT holdings by gross cost are 58% shopping center and retail with 1.89 million net rentable sf; 30% apartments with 2,101 net dwelling units; and 6% each industrial and office. Shopping center holdings have been expanded in recent years, mainly via the March 1977 purchase for \$13.6 million of a half interest in 335,000 sf Lehigh Valley Mall in Allentown, Pa. Property improvements capitalized since acquisition amount to 34½% of accumulated depreciation, attesting steady property upgrading. No new centers have been opened during the Aug. 1979 fiscal year and litigation costs have declined, letting net income and

(Continued on p. 7)

Audit and its employees hold minor positions of less than 1,000 sh. in: Barnes Mtg., First Newport, Midland Mtg., Moraga Corp., PNB Mtg., & United Realty.

DIVIDEND TRENDS: AMERICAN EQUITY DOUBLES PAYMENT FOR JULY HIGHLIGHT

American Equity Inv. Trust doubled its payment from that of the previous declaration to 40¢; it has paid \$1.30 in the past 12 months, partially from capital gains. The shares are currently yielding 14%; the strong pay-out reflects improving operations and asset sale gains.

Four other trusts increased their dividends, including **U.S. Equity & Mtg.**, whose hotel operations are improving at a steady clip (see p. 7). The trust boosted its dividend 18%, to 20¢/sh. **University Real Estate** boosted its monthly dividend 17%, to 7¢/sh., while **Conn. Gen. M&R** raised its dividend 11%, to

Trust	Record date	—Quarterly dividend/share—			-% Chng. from—	
		Latest	Previous	Year-ago	Prev. Q	Yr-ago
Amer. Equity Inv.....	7/20	\$0.40	\$0.20	\$0.30	+100	+33
Commonwealth Rlty.....	8/1	0.20	0.20	0.20	UC	UC
Conn. Gen. M&R.....	7/27	0.50	0.45	0.40	+11	+25
Cont. Ill. Props.....	7/23	0.34	0.34	0.32	UC	+ 6
Del-Val Fincl. Corp....	7/18	0.12M	0.12M	0.11½M	UC	+ 4
" " " " " " " " " "	8/21	0.12M	0.12M	0.11½M	UC	+ 4
Equitable Life M&R....	7/13	0.50	0.50	0.50	UC	UC
First Continental.....	7/31	0.07Ext.	—	—	—	—
Fraser Mtg.....	6/29	0.28	0.28	0.27	UC	+ 4
Hotel Investors.....	7/16	0.50	0.50	0.45	UC	+11
JMB Realty.....	7/16	0.50	0.50	0.45	UC	+11
MassMutual M&R.....	6/20	0.34	0.34	0.34	UC	UC
New Plan Realty.....	7/16	0.07M	0.07M	0.057Ma	UC	+23
PNB Mtg. & Rlty.....	7/30	0.27	0.27	0.20	UC	+35
San Fran. Real Est....	8/10	0.40	0.40	0.3	UC	+33
Sutro Mtg. Inv.....	8/3	0.25	0.25	0.22½	UC	+11
USP Rl. Est. Inv.....	7/22	0.17	0.20	0.15½	-15	+10
United Realty.....	7/24	0.22	0.20	0.20	+10	+10
U.S. Equity & Mtg.....	6/20	0.20	0.17	0.15	+18	+33
University Rl. Est....	7/24	0.07M	0.06M	0.06M	+17	+17
Western Mtg.....	7/23	0.05	0.05	none	UC	—

UC=Unchanged. M=Monthly. S=Semiannual. EX=Year-end extras. L=Liquidating. NC=Not compared. Trusts reducing dividend from previous quarter underlined. Trusts resuming dividends IN CAPS. a- Adjusted for stock splits.

50¢/sh., on a 7% increase in operating income in its June qtr. **United Realty** boosted its dividend 10%, to 22¢; as discussed on p. 8, the trust has been successful recently in eliminating problem loans and properties.

USP Real Est. posted the month's only decline, of 15% to 17¢; but up 10% from a year earlier. USP's dividend fluctuates with cash flow.

COMPARATIVE TRUST GROUP AVERAGE 7/24/79

GROUP	NON-QUAL	QUAL	TOTAL	SHARE (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
PROPERTY-LARGE	21	0	21	2355	15.58	1.19	1.31	16.62	2.6	25.8	12.7	7.2	6.7	8.4	909.3
-SMALL	7	0	7	962	13.39	1.25	1.45	12.88	12.7	18.4	8.9	9.7	-3.8	10.8	83.0
-SUBOR LAND	3	0	3	1862	16.20	1.30	1.44	14.04	6.4	21.2	9.8	9.3	-13.3	8.9	66.8
AVERAGE 3 PROP GROUPS			31	1992	15.14	1.21	1.35	15.52	4.7	23.9	11.5	7.8	2.5	8.9	1059.1
PROP & MTG COMBINATION	14	9	23	2202	11.44	0.48	0.67	9.64	1.6	43.1	14.4	5.0	-15.7	5.9	575.8
SHORT-TERM MTG	11	0	11	1757	15.23	0.70	0.87	10.75	-0.3	27.5	12.4	6.5	-29.4	5.7	218.5
LONG-TERM MTG/PROP	13	0	13	3554	15.03	1.01	1.02	10.54	-0.5	14.8	10.3	9.5	-29.9	6.8	466.2
MTG/FCLSD PROP-MISC	4	5	9	3289	4.95	0.00	0.30	4.39	-4.3	64.4	14.5	0.0	-11.4	6.1	132.4
-BANK	0	15	15	2486	4.88	0.01	0.21	4.75	-4.0	76.9	22.7	0.3	-2.7	4.3	155.6
-INDEPEND	0	38	38	3112	2.60	0.00	0.42	3.09	-7.5	48.9	7.4	0.0	18.7	16.1	282.3
AVERAGE 3 MTG/FCLSD PROP			62	2986	3.49	0.00	0.35	3.67	-5.9	59.4	10.5	0.1	5.3	10.1	570.3
OVERALL AVERAGE	73	67	140	2593	9.37	0.49	0.72	8.47	0.8	32.0	11.6	5.9	-9.6	7.8	2889.9
DOW-JONES INDUSTRIAL AVERAGE								124.10	829.78	-1.1	3.1	6.7	5.8		

*LATEST QUARTER ANNUALIZED

STRAIGHT BONDS

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD	ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
BAY COLONY PROP-B	PS	8.50	'89	17.0	71.00	0.0	12	MTG INV WASH-BG	OC	12.00	'80	15.0	88.00	3.5	13
BAY COLONY PROP-C	NY	8.50	'81F	6.8	93.13	3.3	9	NATIONWIDE RE-C	OC	7.00	'91	6.5	68.00	1.5	10
BT MTG INV-C	OC	5.75	'82	19.4	72.00	7.5	8	NO AMER MTG-B	PS	8.50	'87	12.1	72.00	1.4	11
CHASE MAN TR-A	OC	7.88	'78F	36.7	80.50	0.6	VJ	REALTY REFUND	NY	11.38	'98	20.0	95.75	-0.7	11
CHASE MAN TR-C	OC	7.50	'83	41.2	46.50	3.3	VJ	REALTY REFUND-C	NY	12.00	'98	15.0	99.50	1.5	12
CITIZN & SO RLY-CD#	PS	3.00	'93	3.4	75.00	-9.5	4	SAUL (B.F.)-C	NY	8.50	'80	25.0	97.03	0.6	8
CITIZNS MTG INV-B	OC	8.50	'80	20.0	38.00	11.8	VJ	SECURITY MTG	AS	7.25	'82	37.5	90.00	0.1	8
CMEI-C	NY	6.50	'82F	30.0	68.75	-2.0	9	SECURITY MTG-C	OC	6.00	'82	5.3	71.00	2.9	8
CONT ILL RLTY-B	NY	7.63	'79	25.0	97.75	1.5	7	SO ATLANTIC-C#	NY	6.75	'82F	16.9	80.00	2.6	8
DOMINION MTG-C	OC	8.00	'87	11.0	58.00	-7.8	VJ	STATE MUT INV-B	NY	9.00	'80F	6.2	94.00	0.0	9
FIRST MTG INV-A	OC	6.75	'82	8.9	68.00	9.7	9	TRECO-C	OC	6.75	'91	5.3	55.00	-1.7	12
FIRST VA MTG-A	OC	4.00	'80	14.9	81.00	0.0	4	TRI-SOUTH MTG-B	NY	7.75	'80F	11.4	96.63	1.8	8
FIRST VA MTG-BM	OC	12.00	'80	5.0	88.00	3.5	13								
GMR PROPERTIES-B	AS	7.70	'80	5.1	97.00	-0.2	7								
GMR PROPS-B	PS	8.50	'87	15.3	71.13	-0.3	11								
GREAT AMER MGMT-B	OC	3.00	'90	15.0	47.00	9.3	6								
GREAT AMER MGMT-C	OC	1.10	'91	10.3	44.00	10.0	2								
GROWTH RLTY-C	NY	6.75	'82	9.2	82.00	4.5	8								
GUARDIAN MTG-B	PH	7.50	'79	25.0	88.00	57.1	VJ								
GUARDIAN MTG-C	PH	6.75	'86	8.6	41.00	0.0	VJ								
IDS REALTY-H	OC	—	—	86.0	61.00	1.7	NC								
INST INVESTOR-B	OC	8.25	'87	15.2	68.00	3.0	12								
INSTITNL INV-B	NY	7.88	'80	5.5	95.25	0.3	8								
JUSTICE MTG-B	OC	7.75	'79	9.6	80.00	14.3	VJ								
MIDLAND MTG-B	NY	8.00	'80	14.9	95.50	6.1	8								

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-3% TO 9/30/82, 7% AFTER, M-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES. A-E: 6-7/8%, 7-1/8%, 7-3/8%, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION. X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT. #MAY BE USED AT PAR TO EXERCISE WARRANTS. F-TRADES FLAT, WITHOUT ACCRUED INTEREST.

RELATIVE APPEAL	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON ANN	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)		
PROPERTY TRUSTS-OVER \$25M ASSETS															
2	AMER EQUITY IT#	OC-AEQTS	2497	10.70	1.30	MAR	1.35	9.25 X	10.3	15.6	6.9	14.1	-13.6	12.6	23.1
NR	CMWLTH RLTY #	OC-CRTYC	1305	10.00	0.80	FEB	0.37	8.50	0.0	-10.5	23.0	9.4	-15.0	3.7	11.1
3	CONSOL CAP RLY#	OC-CCPLS	1989	25.55	2.06	FEB	2.06	28.50 X	4.3	14.0	13.8	7.2	11.5	8.1	56.7
3	CONT ILL PROP#	NY-CIE	4808	23.75	1.36	APR	1.56	27.75 X	-5.2	77.5	17.8	4.9	16.8	6.6	133.4
2	DENVER REIA#	OC-DENVIS	1101	16.41	0.80	MAR	1.28	17.00	4.6	61.9	13.3	4.7	3.6	7.8	18.7
1	FEDERAL REALTY#	AS-FRT	1455	13.82	1.36	MAR	1.24	16.13	1.6	8.4	13.0	8.4	16.7	9.0	23.5
1	FIRST UNION #	NY-FUR	4464	16.80	1.20	JUN	1.28	14.63 X	-6.7	36.1	11.4	8.2	-12.9	7.6	65.3
1	FLORIDA GULF#	OC-PGLFS	997	20.19	1.28	APR	1.40	14.25 X	7.9	21.3	10.2	9.0	-29.4	6.9	14.2
3	GENERAL GROWTH#	NY-GGP	6202	11.10	1.56	MAR	1.61	35.38 X	1.1	34.1	22.0	4.4	218.7	14.5	219.4
2	GOULD INVESTOR#	AS-GTR	1170	18.26	0.88	MAR	1.36	13.63	9.0	57.9	10.0	6.5	-25.4	7.4	15.9
2	GREIT REALTY	AS-GRT	998	11.40	0.40	APR	0.36	9.63 X	1.0	35.1	26.8	4.2	-15.5	3.2	9.6
2	HUBBARD REI	NY-HRE	4004	24.85	1.64	APR	1.80	18.50	1.4	14.7	10.3	8.9	-25.6	7.2	74.1
2	NEW PLAN RLTY#	AS-NPR	3037	5.47	0.84	JAN	0.72	9.50 X	-1.8	2.7	13.2	8.8	73.7	13.2	28.9
1	PENN REIT	AS-PPI	1561	13.17	1.65	MAY	2.16	21.00	4.3	29.2	9.7	7.9	59.5	16.4	32.8
3	PRUDENT REIT#	AS-PRU	3146	8.40	0.28	FEB	0.40	6.25	-13.8	92.3	15.6	4.5	-25.6	4.8	19.7
2	REIT OF AMERICA	AS-REI	1633	21.86	1.60	MAY	2.81	20.50	-2.4	31.2	7.3	7.8	-6.2	12.9	33.5
2	SAN FRAN RE #	AS-SFI	1387	25.03	1.60	MAR	1.60	21.50	-3.4	16.2	13.4	7.4	-14.1	6.4	29.8
NR	UNIVERSITY REIT#	OC-URETS	2514	9.00	0.84	MAR	0.32	8.75 X	6.9	-11.4	27.3	9.6	-2.8	3.6	22.0
NR	USP REIT #	OC-USPTS	2500	9.25	0.68	DEC	0.69	8.50 X	-0.9	9.7	12.3	8.0	-8.1	7.5	21.3
2	VIRGINIA REI#	OC-VARES	1166	13.97	0.80	MAR	1.00	12.00	4.3	2.1	12.0	6.7	-14.1	7.2	14.0
2	WASH REIT #	AS-WRE	1519	18.24	2.12	MAR	2.12	27.88	10.4	32.8	13.2	7.6	52.9	11.6	42.3
GROUP AVERAGE			2355	15.58	1.19		1.31	16.62	2.6	25.8	12.7	7.2	6.7	8.4	909.3

PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS															
NR	GENERAL RE SHS	OC-GRELS	557	7.47	1.21	MAR	0.76	11.00	22.2	46.7	14.5	11.0	47.3	10.2	6.1
1	HOTEL INVESTOR#	AS-HOT	1568	19.24	2.00	FEB	2.36	19.00 X	3.3	19.6	8.1	10.5	-1.2	12.3	29.8
NR	PITTS & W VA RA	AS-PW	1510	22.99	0.56	MAR	0.76	6.13	2.2	6.6	8.1	9.1	-73.3	3.3	9.3
NR	RE INV PROPS #	OC-REIPS	959	8.55	1.28	MAR	1.24	10.50	2.4	-4.5	8.5	12.2	22.8	14.5	10.1
NR	REIT OF CALIF	OC-RTCAL	550	9.59	1.28	MAR	1.28	16.00	14.3	6.7	12.5	8.0	66.8	13.3	8.8
NR	TERRYDALE R#	OC-TRYLS	336	22.65	1.60	MAR	2.68	17.00	3.0	21.4	6.3	9.4	-24.9	11.8	5.7
NR	US EQUITY & MTG	OC-USEM	1254	3.24	0.80	APR	1.04	10.50 X	52.9	50.0	10.1	7.6	224.1	32.1	13.2
GROUP AVERAGE			962	13.39	1.25		1.45	12.88	12.7	18.4	8.9	9.7	-3.8	10.8	83.0

PROPERTY TRUSTS-SUBOR LAND LEASEBACK															
2	ICM REALTY	AS-ICM	3011	15.19	0.50	MAY	0.88	9.88	-10.2	16.2	11.2	5.1	-35.0	5.8	29.7
2	JMB REALTY	OC-JMBRS	510	19.67	2.00	FEB	2.04	19.00 X	8.3	24.6	9.3	10.5	-3.4	10.4	9.7
2	PROPERTY CAPITL	AS-PCL	2065	13.73	1.40	APR	1.40	13.25	11.5	20.5	9.5	10.6	-3.5	10.2	27.4
GROUP AVERAGE			1862	16.20	1.30		1.44	14.04	6.4	21.2	9.8	9.3	-13.3	8.9	66.8

PROPERTY & MTG COMBINATION															
2N	API TRUST	OC-APITS	1012	7.15	0.00	DEC	0.03	1.88	-6.0	-11.7	62.7	0.0	-73.7	0.4	1.9
2	BANKAMER RLTY	OC-BRLTS	3547	17.28	1.00	APR	1.18	17.13	2.3	65.0	14.5	5.8	-0.9	6.8	60.8
2N	BRT REALTY	AS-BRT	1400	2.17	0.00	MAY	0.00	1.38	-15.3	10.4	0.0	0.0	-36.4	0.0	1.9
1	CONN GEN M&R#	NY-CGM	5726	20.45	2.00	JUN	2.68	23.25 X	-3.6	29.2	8.7	8.6	13.7	13.1	133.1
2	FLATLEY RLTY #	OC-FLTLS	1000	9.55	0.20	MAR	0.40	5.38	7.6	43.5	13.5	3.7	-43.7	4.2	5.4
1N	INDIANA FCL INV	OC-IFII	1154	9.20	0.00	MAR	0.41	6.00	-7.7	71.4	14.6	0.0	-34.8	4.5	6.9
2	IRT PROP CO #	AS-IRT	2330	11.97	0.60	MAY	1.04	9.00	9.1	22.0	8.7	6.7	-24.8	8.7	21.0
2	MILLER HENRY S	OC-HSMTS	560	19.08	1.20	MAY	1.54	15.50 X	5.3	24.0	10.1	7.7	-18.8	8.1	8.7
1	MORTGAGE GRO #	AS-MTG	2624	11.86	0.88	MAY	0.88	8.63 X	-7.1	25.4	9.8	10.2	-27.2	7.4	22.6
2	PACIFIC RLTY#	AS-PTR	840	21.62	1.00	FEB	2.09	18.00 X	-9.3	29.7	8.6	5.6	-16.7	9.7	15.1
2	PROP TR AMER#	OC-PTRAS	2338	8.94	0.36	MAR	0.43	5.88	4.4	27.0	13.7	6.1	-34.2	4.8	13.7
2	REALTY INCOME	AS-RIT	1578	11.24	1.40	APR	0.00	11.50	-2.1	4.5	0.0	12.2	2.3	0.0	18.1
2	RIVIERE RLTY #	OC-N/A	783	13.95	0.60	MAR	0.68	6.00	0.0	3.1	8.8	10.0	-57.0	4.9	4.7
2	WELLS FARGO M&E	NY-WFM	3924	17.85	1.40	JUN	1.93	16.25	2.3	42.8	8.4	8.6	-9.0	10.8	63.8
GROUP AVERAGE			2058	13.02	0.76		0.95	10.41	-0.1	29.6	11.0	7.3	-20.0	7.3	377.7

SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR																
2	BAYSWATER RLTY	OC-BRITS	1043	15.65	0.05	APR	0.35	11.50	-9.8	53.3	32.9	0.4	-26.5	2.2	12.0	
2N	CENTRAL MTG	OC-CMRTS	775	13.50	0.00	MAR	0.83	9.13	8.9	78.0	11.0	0.0	-32.4	6.1	7.1	
2	FIRST CONTNL	OC-FCRES	2106	10.40	1.19	MAY	1.44	8.88 X	-3.6	11.0	6.2	13.4	-14.6	13.8	18.7	
3	FRASER MTG	OC-FRASS	1038	16.61	1.12	FEB	0.81	11.75 X	6.9	11.9	14.5	9.5	-29.3	4.9	12.2	
1N	HANOVER SQ RLTY	AS-HSQ	946	11.17	0.00	MAY	0.00	7.75	10.7	10.7	0.0	0.0	-30.6	0.0	7.3	
2	LOWAS & NETLIN	NY-LQM	3700	27.86	2.04	MAR	2.04	18.75	-1.3	21.9	9.2	10.9	-32.7	7.3	69.4	
2	M&T MORTGAGE	OC-MTMIS	1482	10.53	1.60	MAY	1.80	12.88	-2.8	41.1	7.2	12.4	22.3	17.1	19.1	
1N	MTG TRUST AMER	NY-MT	3860	13.77	0.00	MAY	0.62	7.25	-13.5	20.8	11.7	0.0	-47.3	4.5	28.0	
2	NATIONWIDE RE	OC-NRELS	1047	24.36	0.52	MAR	0.52	15.25	-3.2	22.0	29.3	3.4	-37.4	2.1	16.0	
2	SUTRO MTG INV	NY-SUT	2322	15.64	1.00	JUN	0.86	10.25	-1.3	24.2	11.9	9.8	-34.5	5.5	23.8	
2	WESTERN MTG	BO-WMTGS	1003	8.01	0.20	MAY	0.26	4.88 X	1.0	44.4	18.8	4.1	-39.1	3.2	4.9	
GROUP AVERAGE				1757	15.23	0.70		0.87	10.75	-0.3	27.5	12.4	6.5	-29.4	5.7	218.5

LONG-TERM MTGS & PROPERTIES															
2N	BT MTG INVSTRS	NY-BTM	2116	0.78	0.00	MAR	0.25	2.25	-5.5	80.0	9.0	0.0	188.5	32.1	4.8
NR	DEL-VAL FIN CP*	OC-DVALS	1345	9.37	1.44	MAR	1.37	11.00	X 1.1	4.8	8.0	13.1	17.4	14.6	14.8
3	EQUIT LF MTG	NY-EQ	5663	23.39	2.00	APR	2.00	18.75	X 2.0	11.9	9.4	10.7	-19.8	8.6	106.2
1	HOSPITAL MTG#	AS-HMG	1178	23.12	0.60	FEB	0.60	11.50	0.0	31.4	19.2	5.2	-50.3	2.6	13.5
1	MASSMUTUAL MTG	NY-MML	4670	19.75	1.36	APR	1.38	12.38	X -5.8	-1.0	9.0	11.0	-37.3	7.0	57.8
2	MONY MTG INV	NY-MYM	8952	9.72	0.92	MAY	0.97	8.38	X -0.2	9.8	8.6	11.0	-13.8	10.0	75.0
3	NOWSTRN MUT MT	NY-NML	4758	19.07	1.00	MAR	0.84	10.00	-7.0	0.0	11.9	10.0	-47.5	4.4	47.6
1	PACIFIC SO MTG	OC-PSMTS	800	12.21	0.80	MAR	1.14	8.38	1.6	21.8	7.4	9.5	-31.4	9.3	6.7
2	PNB MTG & RLTY	NY-PNI	2437	19.16	1.08	MAR	0.96	10.25	X -3.3	22.3	10.7	10.5	-46.5	5.0	25.0
3	REALTY REFUND	NY-RRF	1377	17.33	1.60	APR	1.60	14.38	5.5	10.6	9.0	11.1	-17.0	9.2	19.8
2	RLTY & MTG PAC	OC-RPACS	1890	18.23	1.40	MAY	1.27	16.00	X -0.2	30.6	12.6	8.8	-12.2	7.0	30.2
1N	SECURITY MTG	AS-SMO	7410	5.70	0.00	MAR	0.06	4.00	-8.7	18.3	66.7	0.0	-29.8	1.1	29.6
1	UNITED REALTY	AS-URT	3610	17.60	0.88	MAY	0.84	9.75	X -6.2	19.9	11.6	9.0	-44.6	4.8	35.2
GROUP AVERAGE			3554	15.03	1.01		1.02	10.54	-0.5	14.8	10.3	9.5	-29.9	6.8	466.2

#NET CASH FLOW, SEE PAGE 6. *GROSS CASH FLOW. TRUSTS REPORTED ON A CASH FLOW BASIS AND DENOTED WITH "H" or "M" SYMBOL: BOOK VALUE INCLUDES ACCUMULATED DEPRECIATION. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. ZEROES INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS AND NON-RECURRING ITEMS NOT ANNUALIZED. -0.0 IN % PRICE TO BOOK INDICATES NEGATIVE BOOK VALUE. PH-PHILADELPHIA EXCHANGE. PS-PACIFIC EXCHANGE. BO-BOSTON EXCHANGE. NR-NOT RANKED. VJ-IN BANKRUPTCY REORGANIZATION. Y-CHAPTER XI REORGANIZATION COMPLETED. BID PRICES SHOWN FOR ALL OVER THE COUNTER STOCKS. AMERICAN EQUITY, ICM REALTY AND WISCONSIN REIT DIVIDENDS TRAILING 12 MONTHS.

July 27, 1979

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RELATIVE APPEAL	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON ANN	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)	
G & FORECLOSED PROPERTY-MISC SPONSOR														
2N Y CMT INVSTMT	OC-CMTIS	2030	2.93	0.00	MAR	0.11	2.75	-21.4	83.3	25.0	0.0	-6.1	3.8	5.6
4N HEITMAN MTG	AS-HTM	3292	1.60	0.00	MAR	0.00	2.50	-13.2	81.2	0.0	0.0	56.3	0.0	8.2
3N MISSION INV TR	AS-MIT	1812	4.96	0.00	MAY	0.04	7.00	12.0	51.2	175.0	0.0	41.1	0.8	12.7
3N NORTH AMER MTG	NY-NAM	6901	6.01	0.00	MAR	0.00	4.75	-5.0	72.7	0.0	0.0	-21.0	0.0	32.8
GROUP AVERAGE		3509	3.88	0.00		0.04	4.25	-3.6	65.7	113.3	0.0	9.7	1.0	59.3
PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT)														
5N AMER REALTY	OC-ARB	2222	3.04	0.00	MAR	0.04	3.25	8.3	62.5	81.3	0.0	6.9	1.3	7.2
3N BAY COLONY PROP	NY-BAY	3315	6.27	0.00	MAY	0.01	5.38	-6.4	34.5	538.0	0.0	-14.2	0.2	17.8
3 C I REALTY #	NY-CIX	2609	21.58	0.40	APR	1.03	28.25	14.7	151.1	27.4	1.4	30.9	4.8	73.7
3N CITIZENS GROWTH	OC-CITGS	811	7.01	0.00	APR	0.04	3.75	0.0	36.4	93.8	0.0	-46.5	0.6	3.0
2N FRANKLIN RLTY	AS-FR	999	8.19	0.00	MAR	0.17	8.88	-1.3	77.6	52.2	0.0	8.4	2.1	8.9
2N SAUL (BF) REIT	NY-BFS	5893	4.35	0.00	MAR	0.00	7.88	-1.5	23.5	0.0	0.0	81.1	0.0	46.4
2N US REALTY #	NY-UTY	3434	14.10	0.00	MAR	0.58	8.25	-7.1	69.1	14.2	0.0	-41.5	4.1	28.3
2N WALTER REALTY	OC-WALJS	1035	7.62	0.00	APR	0.00	6.00	-4.0	29.6	0.0	0.0	-21.3	0.0	6.2
2 WISCONSIN RE #	OC-WREIS	1514	8.75	0.04	MAR	0.28	4.38	29.6	168.7	15.6	0.9	-49.9	3.2	6.6
GRGUP AVERAGE		2426	8.99	0.05		0.24	8.45	4.8	78.8	35.4	0.6	-6.0	2.7	198.1
MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT														
2N ATLANTA NATL	OC-ATNAS	1273	8.80	0.00	MAY	0.00	5.00	-9.1	25.0	0.0	0.0	-43.2	0.0	6.4
2N BARNES MTG INV	OC-BARNIS	1910	9.30	0.00	MAR	0.00	2.50	-16.7	33.0	0.0	0.0	-73.1	0.0	4.8
4N BUILDERS INV	OC-BULDS	2929	0.20	0.00	MAR	0.00	1.88	-6.0	-21.0	0.0	0.0	840.0	0.0	5.5
2N CAPITAL MTG	PH-CMU	1675	-0.88	0.00	MAR	0.11	1.31	-19.6	48.9	11.9	0.0	-0.0	-0.0	2.2
5N VJCITIZENS MTG	OC-CZM	1421	-17.17	0.00	SEP	0.00	0.38	0.0	52.0	0.0	0.0	-0.0	-0.0	0.5
1N COMPASS INV GP	OC-CMPSS	3145	3.92	0.00	MAR	0.00	1.44	-7.7	15.2	0.0	0.0	-63.3	0.0	4.5
4N VJCONTINENTAL MTG	OC-CMI	20838	-6.54	0.00	SEP	0.04	0.44	-39.7	131.6	11.0	0.0	-0.0	-0.0	9.2
2N DIVERSIFIED MTG	NY-DMG	7326	8.18	0.00	MAR	0.00	4.88	-11.3	34.4	0.0	0.0	-40.3	0.0	35.8
3N VJDOMINION MGR	OC-DMRTS	639	-9.59	0.00	FEB	0.09	1.25	-28.6	42.0	13.9	0.0	-0.0	-0.0	0.8
1N EASTOVER CORP	OC-EASTS	1034	12.70	0.00	MAR	0.26	11.50	9.5	53.3	44.2	0.0	-9.4	2.0	11.9
2N FIRST CAROLINA	OC-FCARS	1510	14.72	0.00	JUN	0.13	8.63	-1.4	6.2	66.4	0.0	-41.4	0.9	13.0
2N FIRST MORTGAGE	OC-FMTGS	8495	-5.72	0.00	APR	0.07	1.56	-22.0	147.6	22.3	0.0	-0.0	-0.0	13.3
2N FIRST NEWPORT R	OC-FNRIS	2339	3.51	0.00	APR	0.10	3.13	-3.7	126.8	31.3	0.0	-10.8	2.8	7.3
3N FIRST VIR REIT	OC-FVM	1208	7.44	0.00	MAR	0.74	3.00	-7.7	117.4	4.1	0.0	-59.7	9.9	3.6
1N GREAT AMER M&I	OC-GAMI	7372	6.31	0.00	JAN	0.59	3.50	-20.1	821.1	5.9	0.0	-44.5	9.4	25.8
2N GROWTH RLTY	NY-GRW	2059	6.80	0.00	MAR	0.00	5.13	-4.6	28.3	0.0	0.0	-24.6	0.0	10.6
3N VJGUARDIAN MTG	PH-GMI	3000	-12.59	0.00	FEB	0.20	1.25	0.0	123.2	6.3	0.0	-0.0	-0.0	3.8
2N HAMILTON INV	OC-HAMTS	2178	5.47	0.00	MAR	0.29	4.38	-18.6	119.0	15.1	0.0	-19.9	5.3	9.5
2N INSTITUTUAL	NY-INV	6798	1.43	0.00	APR	0.00	1.50	-25.0	-25.0	0.0	0.0	4.9	0.0	10.2
2N KENTUCKY PROPTY	OC-KMTGS	1100	3.01	0.00	FEB	0.03	3.00	0.0	40.8	100.0	0.0	-0.3	1.0	3.3
5N LIFETIME COM	OC-LFTMS	6666	2.94	0.00	APR	0.08	1.00	0.0	58.7	12.5	0.0	-66.0	2.7	6.7
2N LINCOLN MTG	OC-LNMGs	1155	1.17	0.00	DEC	0.31	2.63	-4.4	39.9	8.5	0.0	124.8	26.5	3.0
1N MARYLAND REALTY	OC-MDRTS	760	8.43	0.00	MAY	0.00	4.50	2.7	41.5	0.0	0.0	-46.6	0.0	3.4
5N VJMETROPLEX RLTY	OC-JMI	1184	0.68	0.00	MAR	0.00	0.56	-25.3	47.4	0.0	0.0	-17.6	0.0	0.7
2N MIDLAND MTG	NY-MMT	2382	0.16	0.00	MAR	0.00	2.88	-4.0	64.6	0.0	0.0	1700.0	0.0	6.9
1N MORAGA CORP	OC-MORA	1355	7.88	0.00	APR	0.97	4.88	-15.1	55.9	5.0	0.0	-38.1	12.3	6.6
3N MTG INV WASH	OC-MINVS	2146	4.10	0.00	DEC	0.00	2.50	0.0	42.9	0.0	0.0	-39.0	0.0	5.4
4N Y NATIONAL MTG	OC-NMF	3707	2.01	0.00	FEB	0.00	1.06	0.0	45.2	0.0	0.0	-47.3	0.0	3.9
3N NEWCORP INC	NY-NWC	3854	0.89	0.00	FEB	0.06	2.63	-12.3	0.0	43.8	0.0	195.5	6.7	10.1
3 Y NJB PRIME INV	OC-NJB	1852	3.93	0.00	MAY	11.54	3.75	-3.4	275.0	0.3	0.0	-4.6	293.6	6.9
5N PLAZA REALTY	OC-PRISS	1114	0.82	0.00	DEC	0.09	1.50	-33.3	70.5	16.7	0.0	82.9	11.0	1.7
3N REPUBLIC MTG	NY-RMI	2107	3.07	0.00	MAR	0.00	1.75	-22.2	26.8	0.0	0.0	-43.0	0.0	3.7
2N SOUTH ATLANTIC	NY-SAT	2706	2.64	0.00	APR	0.00	4.63	-7.4	54.3	0.0	0.0	75.4	0.0	12.5
1N TEXAS FIRST MTG	OC-TFMS	1055	7.87	0.00	MAR	0.00	4.38	-18.6	46.0	0.0	0.0	-44.3	0.0	4.6
2N TIERCO	OC-TIERS	1186	6.97	0.00	JUN	0.05	4.88	14.8	85.6	97.6	0.0	-30.0	0.7	5.8
2N TRECO INC	OC-TRECS	2289	1.16	0.00	MAR	0.18	1.44	-7.7	35.8	8.0	0.0	24.1	15.5	3.3
4N UMET TRUST	NY-UAT	2109	0.17	0.00	MAY	0.00	2.75	-8.3	46.3	0.0	0.0	1517.6	0.0	5.8
2N WESTPORT CO	OC-WSPTS	2388	4.56	0.00	APR	0.00	3.88	0.0	59.0	0.0	0.0	-14.9	0.0	9.3
GROUP AVERAGE		3112	2.60	0.00		0.42	3.09	-7.5	48.9	7.4	0.0	18.7	16.1	282.3
MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR														
3N AMER FLETCHER M	OC-AFM	1352	1.37	0.00	APR	0.00	2.25	-14.4	38.0	0.0	0.0	64.2	0.0	3.0
1N CAMERON-BROWN	NY-CB	2016	8.67	0.00	MAR	0.25	4.88	-13.3	85.6	19.5	0.0	-43.7	2.9	9.8
5N VJCHASE MAN MTG	OC-CMR	5142	-6.30	0.00	FEB	0.00	1.00	-5.7	100.0	0.0	0.0	-0.0	-0.0	5.1
NR CITINATL DEV	OC-N/A	600	13.13	0.00	DEC	0.00	8.13	-4.4	8.4	0.0	0.0	-38.1	0.0	4.9
3N CITZNS&SO RLTY	NY-CZS	5443	1.67	0.00	MAR	0.00	2.00	-6.1	77.0	0.0	0.0	19.8	0.0	10.9
1 CLEVETRUST RLTY	OC-CTRIS	2525	10.66	0.20	MAR	0.00	6.88	-5.1	83.5	0.0	2.9	-35.5	0.0	17.4
3N CONT ILL RLTY	NY-CIR	2797	5.33	0.00	MAR	0.00	11.00	1.1	318.3	0.0	0.0	106.4	0.0	30.8
1N FIDELCO GROWTH	AS-FCI	1580	8.04	0.00	MAY	1.22	5.88	-9.5	42.4	4.8	0.0	-26.9	15.2	9.3
2N FIRST DENVER MI	OC-FDENS	1621	7.49	0.00	JUN	0.07	4.00	3.1	87.8	57.1	0.0	-46.6	0.9	6.5
2N FIRST MEMPHIS	OC-FMEMS	1156	7.32	0.00	FEB	1.14	5.75	0.0	109.1	5.0	0.0	-21.4	15.6	6.6
3N FIRST PENN MTG	NY-FPM	2961	1.34	0.00	APR	0.00	2.25	-10.0	50.0	0.0	0.0	67.9	0.0	6.7
3N FIRST WISCONSIN	OC-FWMTS	1988	5.41	0.00	MAR	0.00	5.38	13.3	86.8	0.0	0.0	-0.6	0.0	10.7
5N INDEPENDENCE MT	OC-INTGS	2500	-3.82	0.00	MAR	0.05	3.00	-7.7	200.0	60.0	0.0	-0.0	-0.0	7.5
1N TRI-SOUTH MTG	NY-TSI	2276	3.89	0.00	MAR	0.41	3.00	-11.2	33.3	7.3	0.0	-22.9	10.5	6.8
2N WACHOVIA RLTY	NY-WRI	3335	9.03	0.00	MAY	0.00	5.88	-5.9	51.5	0.0	0.0	-34.9	0.0	19.6
GROUP AVERAGE		2486	4.88	0.01		0.21	4.75	-4.0	76.9	22.7	0.3	-2.7	4.3	155.6
MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS														
2N AMER CENTURY MI	NY-ACT	2607	5.05	0.00	MAR	0.00	5.25	0.0	67.7	0.0	0.0	4.0	0.0	13.7
3N CI MTG GROUP	PH-CI	4812	6.40	0.00	APR	0.57	6.00	0.0	100.0	10.5	0.0	-6.3	8.9	28.9
1N GMR PROP	NY-GMR	2956	2.38	0.00	MAY	0.00	2.88	-8.0	53.2	0.0	0.0	21.0	0.0	8.5
3N IDS REALTY	OC-IDR	2409	6.14	0.00	APR	1.81	3.50	-15.3	153.6	1.9	0.0	-43.0	29.5	8.4
2N STATE MUTUAL	NY-SMU	2786	9.11	0.00	JUN	0.19	4.88	-4.9	11.4	25.7	0.0	-46.4	2.1	13.6
GROUP AVERAGE		3114	5.82	0.00		0.51	4.50	-4.8	63.5	8.8	0.0	-22.6	8.8	73.1
PREFERRED STOCK & REIT FUNDS														
NR CMT INV TR-PFD	OC-CMTIP	2149	7.50 L	0.00	MAR	0.11	2.63	-25.5	10.5	23.9	0.0	-64.9	1.5	5.7
NR RET INCOME	AS-RET	3794	3.56 N	0.00	MAR	0.14	2.75	-4.						

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG	CONV PARITY	STOCK PRICE
ALAMAND CORP	OC	'91F	6.50	27.75	57.00	11.4	0.0	15.81	4.88
AMER CENTURY	AS	'90	7.00	21.00	66.00	10.6	1.5	13.86	5.25
AMER CENTY'B	NY	'91	6.75	28.00	64.25	10.5	-2.6	17.99	5.25
AMER REALTY	OC	'84F	7.00	10.40	73.00	DEF	12.3	7.59	3.25
BAIRD&WARNER	OC	'91	6.75	21.00	66.00	10.2	-1.4	13.86	11.50
BANKAMERICA	OC	'90	6.75	21.00	83.00	8.1	-1.1	17.43	17.13
CAPITAL MTG	OC	'91	6.50	33.00	57.00	11.4	7.5	18.81	1.31
CHASE MANHTN	OC	'96F	6.50	55.00	46.50	VJ	3.3	25.57	1.00
CHASE MANHTN	OC	'97	11.63	2.25	46.50	VJ	3.3	1.04	1.00
COMPASS GP	OC	'98F	8.25	1.35	110.00	7.5	-5.1	1.48	1.44
CONN GENERAL	NY	'96	6.00	32.50	75.00	8.0	-2.0	24.37	23.25
CONTINTL MTG	OC	'90	6.25	19.79	45.00	VJ	-11.7	8.90	0.44
EQUITBL LF M	NY	'90	6.75	26.25	79.25	8.5	2.9	20.80	18.75
FIRST NEWPT	OC	'91F	6.75	27.50	55.00	12.3	3.8	15.12	3.13
FIRST PENN M	OC	'91F	6.75	8.65	56.00	12.1	1.8	4.84	2.25
FRANKLIN RLY	AS	'89	7.00	10.00	95.13	7.4	3.4	9.51	8.88
HANOVER SQ R	AS	'92	7.25	21.00	83.00	8.7	10.3	17.43	7.75
HEITMAN MTG	AS	'92	7.50	14.70	68.00	11.0	6.3	9.99	2.50
HOTEL INVSTR	OC	'90	7.75	21.00	90.00	8.6	15.4	18.90	19.00
HOTEL INVSTR	OC	'91	7.50	25.25	74.00	10.1	-1.2	18.68	19.00
LINCOLN MTG	OC	'90	8.00	11.00	58.50	13.7	2.6	6.43	2.63
MASSMUTL MTG	NY	'90	6.75	21.00	76.00	8.9	-0.7	15.96	12.38
MASSMUTUAL M	NY	'91	6.25	33.50	74.00	8.4	0.5	24.79	12.38
MIDLAND MTG	OC	'86	7.00	16.67	52.50	13.3	-0.8	8.75	2.88
MONY MTG IN	NY	'90	7.00	11.00	80.50	8.7	-4.1	8.85	8.38
MTG INV WASH	OC	'90	8.00	15.00	65.00	12.3	0.0	9.75	2.50
NOWSTRN MUTL	NY	'91	6.00	21.00	72.50	8.3	0.0	15.22	10.00
PAC REAL TR	AS	'92	7.00	26.25	78.00	9.0	-4.8	20.47	18.00
RAM PACIFIC	OC	'91	6.75	21.00	76.00	8.9	-3.7	15.96	16.00
REALTY INCOM	AS	'91	8.00	18.00	75.00	10.7	-5.0	13.50	11.50
REPUBLIC MI	NY	'90	9.00	19.00	90.63	9.9	0.0	17.21	1.75
SAUL (BF) RL	OC	'91	6.50	23.00	67.00	9.7	-1.4	15.41	7.88
SAUL(BF) REI	OC	'90	8.00	15.50	75.00	10.7	-2.5	11.62	7.88
STATE MUTUAL	AS	'91	6.75	21.00	69.00	9.8	0.0	14.49	4.88
SUTRO MIT	NY	'82	6.75	20.00	87.75	7.7	1.3	17.55	10.25
SUTRO MTG	AS	'91	6.75	20.00	73.00	9.2	4.3	14.60	10.25
TRECO	OC	'98	8.50	1.62	91.00	9.3	-8.9	1.47	1.44
TRI-SO / SR	PH	'88	10.00	2.50	120.00	8.3	-11.0	3.00	3.00
TRI-SOUTH MI	NY	'92F	7.00	29.50	61.38	11.4	0.6	18.10	3.00
US REALTY IN	NY	'89	5.75	20.20	64.88	8.9	-0.1	13.10	8.25
WESTPORT CO	OC	'91	6.75	21.00	58.00	11.6	-3.2	12.18	3.88

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ=IN BANKRUPTCY REORGANIZATION. F=TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF=IN DEFAULT. PH=PHILADELPHIA EXCHANGE. PS=PACIFIC EXCHANGE.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
BARNES MTG	O-BARNW	12/82	1910	20.00	1.0	0.06	2.50	702.4	20.0	0.1
CAPITAL MTG	O-CMORW	11/79	471	15.35	1.0	0.01	1.31	1072.5	-66.6	0.0
CI MTG	PH-CI.W	3/80	2854	20.00	1.0	0.09	6.00	234.8	12.5	0.3
CITIZNS&SO-B*	PS-N/A	4/83	222	2.00	50.0	15.38	2.00	16.4	-2.1	3.6
FLATLEY RLTY	O-FLTLW	5/80	1000	10.00	1.0	0.13	5.38	88.3	-47.9	0.1
JMB REALTY	O-JMBRW	8/82	510	20.00	1.0	1.50	19.00	13.2	50.0	0.8
M&T MTG INV	O-MTMIZ	8/80	747	13.00	1.0	0.88	12.88	7.8	39.7	0.7
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	0.03	2.50	501.2	0.0	0.0
NEWCORP	A- N/A	2/82	740	24.63	1.0	0.38	2.63	851.0	0.0	0.3
SAN FRAN REI	A-SFIW	12/80	1348	25.00	1.0	1.75	21.50	24.4	-17.7	2.4
SUTRO MIT(B)	A-SUTW	6/82	700	20.00	1.0	0.88	10.25	103.7	-11.9	0.6
UNITED RLTY	A-URTW	12/79	3610	20.00	1.0	0.06	9.75	105.7	0.0	0.2

*DEBENTURES USABLE IN LIEU OF CASH.

WTS PRICE OF .01 INDICATES TRADING IN MILLS.

NOTE: BUYERS ARE CAUTIONED THAT SPREADS BETWEEN BID AND ASKED PRICES FOR WARRANTS ARE VERY LARGE AND PRICES MAY VARY SIGNIFICANTLY.

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

Annualized Dividend and Yield: Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our **RELATIVE APPEAL RANKINGS**. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "s", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Annualized Earnings and Price/Earnings Ratio: For mortgage trusts, latest quarter earnings are multiplied by four. Zeroes indicate losses or no earnings for the quarter indicated. Losses per share are shown in **RELATIVE APPEAL RANKINGS**. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "\$" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "*". Cash flow derived from amortization of debt discount is denoted by "@". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in **RELATIVE APPEAL RANKINGS**.

Shares: The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures, exercise of warrants, or common equivalents which may have been used in earnings per share computations.

Book value per share is essentially tangible net worth per share after deduction of intangible items such as debt discount, unamortized debt expenses, and goodwill if any. Book value does not reflect any changes in asset values through appreciation but does reflect deduction of a reserve for possible future investment losses computed under AICPA rules. Accumulated depreciation is added back to net book value for trusts whose results are reported on a cash flow basis (see above) and denoted with the "\$" symbol, as a means of approximating market value of properties. Components of this adjusted book value are reported in **RELATIVE APPEAL RANKINGS**.

PROFILE OF REALTY TRUSTS AS OF JULY 24, 1979

	Number	Invested Assets Non/Low-Earn	Total	% Non- and Low-earning	% Change in Month	Loss Reserve	Foreclosed Property	All Debt	Shareholders Equity
PROPERTY.....	31	\$ 46M	\$ 2,063M	2%	-16.3%	\$ 25M	\$ 24M	\$1,364M	\$ 720M
PROPERTY & MTG.....	23	354	1,814	19	-0.2	50	152	1,276	518
SHORT-TERM MTG.....	11	122	715	17	-3.7	28	102	400	317
L/T MTG/PROPERTY....	13	244	1,689	15	-6.4	45	162	986	663
MTG/FORECLOSED PROP.	62	3,632	5,200	70	-2.0	876	2,658	4,113	278
TOTALS/AVERAGES...	140	\$4,399M*	\$11,481M	38%	-1.3%	\$1,024M	\$3,098M	\$8,139M	\$2,496M

* Includes \$1,178M or 10.2% low-earning assets. M=Million.

Above figures after adjustment for deletion of Summit Properties but before adjustment for combination of Summit Properties and Investors Realty into IRT Property Co.

Continued from page 2

cash flow soar. P-REIT netted 54¢/sh. in the May quarter, up 46% over 1978 (table, p. 8) and \$1.50/sh. operating income for the nine months to May was up 58%. The No. 1-Ranked shares (now 20½-ASE) appear modestly valued on potentials.

San Francisco Real Estate Investors is stressing properties, now 85% of invested assets, while winding down a small mortgage loan portfolio. About 70% of assets are invested in seven high-rise office buildings with 1.12 million net leasable sf and mainly leased to regional banks. Another 6% each are in 368 apartment units and two land purchase/leasebacks. Only 14.4% of accumulated depreciation has been reinvested in property improvements since their acquisition, a relatively low ratio reflecting net leasing of some properties. SFREI is the only major trust to deduct a remodeling reserve from its net cash flow in determining funds available for dividends or other uses. Management is highly competent and has moved aggressively to clean up problem loans. Earnings and net cash flow have been moving sharply upward, the 40¢/sh. EPS of the June qtr. surging 60% over 1978. But this surge may be cresting and the quality shares (21½-ASE) are ranked No. 2 as above-average values.

Washington REIT holds properties with \$41½ million gross cost, all within two hours' drive of the nation's capital. About 55% at gross cost are in seven apartment projects with 1,670 units; 23% in seven community shopping centers with 450,000 sf; and 22% in seven office and distribution centers. Leasing has been strong and creative; space is virtually full and about 30% /f commercial leases turned over at higher rates last year. Property improvements capitalized were 23% of accumulated depreciation, and the trust is noted for its intensive maintenance program. The dividend was boosted to a \$2.12 annual rate in March and has grown at a 10.2% compounded annual rate over the past decade. The shares (28-ASE) are Ranked No. 2-above average for longer term dividend growth.

EARNINGS TRENDS: SPECIALTY PROPERTY, MORTGAGE TRUSTS POST LARGE GAINS

While results are continuing strong for traditional property trusts, other qualified trusts also are benefiting from either strong markets or portfolios especially suited for current market conditions.

Wells Fargo Mortgage & Equity reported earnings of \$1.93/sh. for FY '79, up 44% from those of FY '78; its earnings for the June qtr. were up 18% from the previous qtr. Wells Fargo's results have been benefiting from higher occupancies and rental rates and the addition of new properties. Returns on the loan portfolio have climbed with the recovery of interest on problem loans as well as higher average loan volume and increased yield, which is not typical in this period of rising interest rates. The trust is reaping the upside benefits of interest rates that float with the prime rate on the majority of its loans.

Central Mortgage also posted sizable gains in FY '79 because of higher interest rates on its loans; its results for the year were up a whopping 146% from FY '78. The trust has been able to renegotiate some of its loans at higher rates while others have automatic increases; Central Mortgage also has been reducing its nonearning assets and its debt. For the first time in five years it has received a clean opinion from auditors. In the fourth qtr. of FY '79, the trust deferred previously recorded interest as a loan became delinquent; the trust is confident, however, that the loan will be collected.

One of the specialty property trusts which posted sizable gains in the most recent quarter is U.S. Equity & Mortgage with earnings of 26¢/sh., up 53% from the previous quarter and 73% from the year-earlier quarter. U.S. Equity owns two motor hotels in Seattle and two in Portland and shopping centers in Florida and Texas. The four motor hotels have had steadily improving occupancy rates, up to over 90% in the two Seattle hotels; operating results also have been boosted by 100% occupancy rates at the two shopping centers and the investment of liquid assets in properties.

U.S. Equity's share price rose 53% over the past month, with several possible plays. In addition to its strong operating results, the trust has in the past indicated a desire to sell its four motor hotels, if it can reach an agreement with American West Corp., the lessee of the hotels. The trust believes that the properties can be sold for about \$28 million, a premium of \$25 million over carrying value, for total book value of some \$24/sh. However, AWC balked at accepting long-term debt as part of the purchase price, and the idea was tabled. The other play for the shares comes from the purchase of the two shopping centers from Stephen Babbidge and David Boggs, who leased them back; the trust may sell preference shares in order to purchase additional properties from Babbidge and Boggs. The two shopping centers currently owned, which were purchased in early 1978, are 100% occupied.

Hotel Investor also has been experiencing strong operating results at its hotels, notably at its hotels in Dallas, Tallahassee and Milwaukee. Its earnings for the May qtr. of 66¢/sh. were up 47% from the prior qtr. and up 78% from the year-earlier qtr., despite a \$255,000 loss provision on the sale of a non-earning asset. In addition, shareholders' equity was boosted \$2.3 million during the quarter as a result of the conversion of subordinated debentures.

Among the large property trusts, First Union Real Estate Invest. posted earnings of 27¢/sh. in the June qtr., up 50% from the previous qtr., reflecting prime properties in strong markets. Cash flow was down 16% for the qtr. as mortgage amortization payments more than doubled. The trust expects to post a net gain of \$900,000 in the Sept. qtr. from the sale of an Atlanta office building. Two other major property trusts, San Francisco Real Estate and Penn REIT (see pp. 2 & 7) also reported strong earnings for the most recent qtr.

Realty Income Trust reported a marginal profit for the fourth qtr. of FY '79, although its results for the full fiscal year were down. Operating results of this trust have been penalized by the high prime rate and by operating losses at the trust's mobile home parks; subsequent to fiscal year-end, however, the trust disposed of its remaining mobile home parks at a profit, and operating results should continue to improve. Liquidation of assets will continue to have a positive impact on results for FY '80.

Hanover Square Realty also is liquidating its real estate investments, in order to repay bank debt and to increase liquidity (see RTR, July 13, 1979). In its May qtr., the trust pared its operating deficit to 3¢/sh.

United Realty Trust's May earnings were up 5% from the previous qtr. as the trust removed one Denver office building from the problem loan category; it is also selling two other properties in the Aug. qtr.

Trust-Period ended	-----Latest quarter-----	-Prev. Q-	-Yr. AgoQ-	-% Chng. From**-		
	Th.\$/Spec'l#	EPS/Spec'l#	EPS/Spec'l#	Prev.Q Yr.sgo Q		
Quarterly results: Qualified REITs:						
BRT Realty.....May.....	d100	d0.07	d0.05	0.26	Worse	Worse
C.I. Realty Inv.May-EPS	224/189NX	0.09/7cNX	0.12/11cG	d0.09	+100*	Better*
" " May-CFS	804/189NX	0.31/7cNX X	0.34/11cG	0.12	+ 4	+100*
Central Mtg.....Mar....	59/d134GL	0.08/d0.17GL	0.60/33cG	0.03	- 7*	+733*
Commonwealth.....Feb-EPS	12/12G	0.01/1c	NA--r	rd0.04/1cG	--	Better
" " Feb-CFS	135/12G	0.10/1c	NA--r	r0.05/1cG	--	+125*
Conn. Gen. M&R..Jun....	2,018/361R	0.35/6cR	0.31/4cG	0.30/6cG	+ 7*	+ 21*
Consol. Cap. Rl.May....	39	0.02	0.03/6cG	d0.07	Better*	Better
First Union.....Jun-EPS	1,226b	0.27b	0.28b/10cXb	A	+ 50*	A
" " Jun-CFS	1,476b	0.32b	0.48b/10cXb	A	- 16*	A
Hanover Sq. Rly.May....	d28	d0.03	d0.07	0.12/23cGT	Better	Better*
Hospital Mtg.....May....	468/402G	0.40/34cG	0.07	0.10	- 14*	- 40*
Hotel Investor..May....	1,060	0.66	0.45	0.37	+ 47	+ 78
Investors Rlty..May-EPS	298	0.20	0.18	0.30/11cR	+ 11	+ 5*
" " May-CFS	386	0.26	0.25	0.37/11cR	+ 4	UC
Mtg. Trust Amer.May....	884/375G	0.23/10cG	0.21/10cGR	0.48/42cR	+ 18*	+283*
New Plan Rlty..Apr....	474	0.19	0.19	0.18	UC	+ 6
PNN Mtg. & Rlty.Jun....	632	0.26	0.24	0.23	+ 8	+ 13
Penn REIT.....May....	852	0.54	0.46	0.37	+ 17	+ 46
Prudent REIT.....May....	d429	d0.14	0.02	0.01	Worse	Worse
Realty Inc. Tr..Apr....	2	N11	d0.16/21cGT	d0.56/d4cG	Better*	Better*
San Fran. RE.....Jun....	553	0.40	0.32	0.25	+ 25	+ 60
Sutro Mtg. Inv..Jun....	536	0.23	0.27	0.26/15cG	- 5	+109*
United Realty..May....	757	0.21	0.20	0.20/2cG	+ 5	+ 7*
US Equity & Mtg.Apr....	552	0.26	0.17	0.15	+ 53	+ 73
Wells Fargo M&E.Jun....	2,365	0.60	0.51	0.34	+ 18	+ 76
Western Mtg.....May....	264	0.26	0.18/14cG	0.02	+550	+1200
Quarterly results: Nonqualified trusts & corps:						
Atlanta Natl.....May....	d121	d0.10	d0.17	0.24/13cIN	Better	Worse*
Bay Colony Prop.May....	27/101	0.01/3cN	d0.25	d0.06/3cS	Better*	Better
Compass Inv. Gp.Mar....	d115	d0.04	0.53/18cS	d0.77	Worse*	Better
Fidello Growth.May....	1,925/2,147S	1.22/1.08S	0.40/37cNS	0.19/76cSX	+367*	Better*
First Carolina..Jun....	190/145NG	0.13/9cNG	0.15/7cN	0.04	- 47*	UC
First of Denver..May....	106/54	0.07/3cNS	0.44/27cN	d0.27	- 85*	Better*
First Newport...Apr....	234/1,031NG	0.10/44cNG	0.34/58cNG	d0.43	Better*	Better*
GMR Properties..May....	d75/31T	d0.04/1cT	d0.20/16cT	d0.12	Better*	Better*
IDS Realty.....Apr....	4,355/3592NTR	1.81/1.49NTR	0.54/56cNT	0.54/26cN	Better*	+ 14*
Independence MT.Mar....	129/71N	0.05/3cN	d0.07/16cGNS	d0.01	Better	Better*
Maryland Rlty..May....	d52	d0.07	d0.07/3cG	0.17/19cNX	Better*	Worse*
Mission Inv. Tr.May....	67	0.04	0.05	0.05/12cG	- 20	Better*
NJB Prime.....Feb....	18104/199372S	11.54/12.712S	d0.47	d0.52	Worse*	Worse*
National Mtg.....May....	d70/348SG	d0.02/9cSG	N11	d0.02/26cSG	Worse*	Worse*
State Mutual....Jun....	528/734GN	0.19/28cGN	0.69/75cGIN	0.06/5cGN	Worse*	Worse*
Tierco.....Jun....	676/605T	0.56/51cT	d0.27	0.57/70cGS	Better*	Better*
UMET Trust.....May....	d637	d0.30	2.79/2.94GI	2.16/52cG	Worse*	Better*
Westport.....Apr....	d39	d0.014	d0.014	d0.03/7cS	UC	Better*
Annual Results: All trusts & corps:						
Bay Colony Prop.May....	408/101N	0.12/9cN	rd0.07/16cS	---	Better*	
Central Mtg.....Mar....	1,147/361GL	1.48/47cGL	0.47/6cG	---	+146*	
National Mtg.....Feb....	198/642SG	0.05/17cSG	d0.08/49cSG	---	Better*	
Realty Inc. Tr..Apr....	4,024	2.55/4.15GT	d0.70/23cG	---	Worse*	
Wells Fargo.....Jun....	7,602	1.34	---	---	+ 44	

UC=Unchanged. N=Not meaningful. r=Restated. p=Preliminary. d=Deficit. b=Aft. pfd. divs.
 #--Special items included in both thousand dollar and share amounts are: C=Gain on sale of assets; I=Interest forgiveness; L=Loss on sale of assets; M=Met operating loss (NOL) benefit or charge; R=Recovery of past-due interest or prepayment fees; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; W=Gain (loss) on mortgage refinancing; X=Settlement with adviser, sponsor, insurance company, or litigation with borrower; Y=Loss reserve credit; Z=Gain on debt restructuring via exchange or tender offers.

** Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."
 * Compared before special items. A--No comparison; First Union changed to Dec. yr.